

**ANNUAL REPORT**  
*of the*  
**DETROIT AND MACKINAC**  
**RAILWAY COMPANY**

**FOR THE FISCAL YEAR ENDING DECEMBER 31st**  
**1939**

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*of the*  
**DETROIT AND MACKINAC**  
**RAILWAY COMPANY**

**FOR THE FISCAL YEAR ENDING DECEMBER 31st**

**1939**



# DETROIT AND MACKINAC RAILWAY COMPANY

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## DIRECTORS AND OFFICERS

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### BOARD OF DIRECTORS

HENRY K. McHARG .....	Ridgefield, Conn.
DAVID H. PIERSON .....	Elizabeth, N. J.
JAMES BROWN MABON .....	New York, N. Y.
JAMES McNEIL .....	New York, N. Y.
EDWIN G. MERRILL .....	New York, N. Y.

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### OFFICERS

HENRY K. McHARG, <i>President</i> .....	Ridgefield, Conn.
C. A. PINKERTON, <i>Vice-President and General Manager</i> .....	Tawas, City, Michigan
JAMES McNEIL, <i>Secretary and Treasurer</i> .....	New York, N. Y.
GEORGE J. BERGEVIN, <i>Auditor</i> .....	Tawas City, Michigan
N. W. SALSBERY, <i>Asst. Treasurer and Asst. Secretary</i> .....	Tawas City, Michigan
R. W. HICKEY, <i>Purchasing Agent</i> .....	Tawas City, Michigan
CARL R. HENRY, <i>General Counsel</i> .....	Alpena, Michigan
A. S. MATTESON, <i>Traffic Manager</i> .....	Alpena, Michigan

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### FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company .....	New York, N. Y.
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### REGISTRAR OF STOCK

Central Hanover Bank and Trust Company .....	New York, N. Y.
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### ANNUAL MEETING

The last Tuesday in April is the date of Annual Meeting of Stockholders

General Office (in Michigan) .....	Tawas City, Michigan
General Office (outside of Michigan) .....	110 William Street, New York, N. Y.

COLEGROVE, MURPHY & ANGELL  
CERTIFIED PUBLIC ACCOUNTANTS  
LAFAYETTE BUILDING  
DETROIT

ALBERT M. COLEGROVE, C. P. A.  
HARRY L. MURPHY, C. P. A.  
C. ROBERT ANGELL, C. P. A.

February 5, 1940

Mr. George J. Bergevin, Auditor,  
Detroit and Mackinac Railway Company,  
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1939, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached balance sheet reflects the true financial condition of your company as at December 31, 1939, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Very truly yours,

COLEGROVE, MURPHY & ANGELL,  
By Harry L. Murphy,  
Certified Public Accountant.

REPORT OF THE  
VICE-PRESIDENT TO THE STOCK AND BONDHOLDERS  
OF THE  
DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Michigan, February 9, 1940.

To the Stockholders and Bondholders of the Detroit and Mackinac  
Railway Company:

Freight Revenues decreased \$11,661.45, and Passenger Revenues decreased \$1,171.08, but there were increases in Express Revenues of \$4,220.42, and in Switching, \$7,611.20. This, together with minor fluctuations in other revenue accounts, resulted in Net Decrease of \$1,047.17 in total Operating Revenues.

During the year, it was necessary to make substantial repairs to Rolling Stock, and by reason of this maintenance program, total Operating Expenses were increased \$13,063.81. However, continued application of rigid measures of economy is reflected in the decreases of \$8,853.85 in Maintenance of Way and Structures; \$174.85 in Traffic, and \$6,543.24 in Transportation Expenses.

Despite the increase of \$29,496.38 in Maintenance of Equipment Expenses, the Operating Ratio, (percentage of Operating Revenues required to pay Operating Expenses), was 73.4%. The Total Income was \$135,297.63, a decrease of \$24,757.79. The Net Income for the year was \$16,080.37, compared with \$39,754.32 in 1938.

Although Maintenance of Way and Structures Expenses were reduced, track and relating structures were maintained to a standard suitable for handling the available business.

Railway Taxes, for the year 1939, amounting to \$43,708.16 over which the management has little or no control, still continues to be a heavy burden of expense for your company.

Competing transportation agencies, such as trucks, busses, waterways, and private transportation of persons and property, has seriously effected our annual revenues, as will be noted from Table E-1, which shows that in 1929, and prior years, revenues exceeded a million and one-half, while during the past eight years have been as low as \$601,000, and not higher than \$885,000.

Sincere appreciation is extended to the officers and employees, for faithful and efficient service during the year.

The usual tables for your information follow.

Respectfully submitted,

C. A. PINKERTON,  
*Vice-President and General Manager.*

# DETROIT AND MACKINAC RAILWAY COMPANY

## OFFICE OF AUDITOR

Tawas City, Mich., Feb. 8, 1940.

HENRY K. McHARG, ESQ.,  
*President.*

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31st, 1939, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Revenues and Expenses by Years.

TABLE E-1—Net Revenue from Railway Operations and Tax Accruals by Years.

TABLE F—Details of Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1938 and 1939.

TABLE I—Statistics for Years 1938 and 1939.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectfully,

GEORGE J. BERGEVIN,

Auditor.



TABLE A

## DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1939, AND COMPARISON WITH  
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1938, SHOWING INCREASE OR DECREASE

## ASSETS

	Items	Total	Increase	Decrease
<i>Investments:</i>		\$7,172,710.59		
	Investment in Road and Equipment.....	\$7,125,860.29		\$47,574.99
	Miscellaneous Physical Property.....	40,735.52		53.00
	Investments in Affiliated Companies.....	6,054.78		281.62
	Deposits in Lieu of Mortgage Property Sold.....	60.00		
<i>Current Assets:</i>		395,136.62		
	Cash.....	174,040.33		
	Special Deposits—J. P. Morgan Coupon Account.....	4,540.00	\$ 54,231.29	1,840.00
	Traffic and Car Service Balances Receivable.....	3,936.05		4,432.14
	Net Balances Receivable from Agts. and Conductors.....	13,393.69	146.82	
	Miscellaneous Accounts Receivable.....	20,540.12		1,582.80
	Material and Supplies.....	178,653.64	3,323.50	
	Other Current Assets.....	32.79	32.79	
<i>Deferred Assets:</i>		567.54		
	Working Fund Advances.....	567.54		
	Other Deferred Assets.....			121.84
<i>Unadjusted Debits:</i>		8,323.91		
	Insurance Premiums Paid in Advance.....	1,398.13		1,603.25
	Other Unadjusted Debits.....	6,925.78	128.74	
	Total.....	\$7,576,738.66	\$ 373.50	

TABLE A—(Continued)

LIABILITIES		Total	Increase	Decrease
	Items			
<i>Capital Stock:</i>		\$2,950,000.00		
Common Stock	\$2,000,000.00			
Preferred Stock	950,000.00			
<i>Grants in Aid of Construction:</i>				
<i>Long Term Debt:</i>		313.10		
First Lien Bonds	\$1,484,000.00	2,622,000.00		
Held in Treasury	112,000.00			
Outstanding	1,372,000.00			
Mortgage Bonds	1,750,000.00			
Pledged as Collateral	500,000.00			
Outstanding	1,250,000.00			
<i>Non-Negotiable Debt to Affiliated Companies:</i>		235,000.00		
<i>Current Liabilities:</i>		134,994.39		
Traffic and Car Service Balances Payable	42,995.80	\$	277.65	
Audited Accounts and Wages Payable	39,917.96		1,492.75	
Miscellaneous Accounts Payable	8,493.23		2,576.94	
Interest Matured Unpaid	29,540.00			\$13,240.00
Unmatured Interest Accrued	9,523.34			
Other Current Liabilities	4,524.06		2,625.40	
<i>Unadjusted Credits:</i>		954,221.00		
Tax Liability	20,849.88		2,803.57	
Accrued Depreciation—Road	133,576.04			
Accrued Depreciation—Equipment	794,027.42		3,158.78	
Other Unadjusted Credits	5,767.66		3,757.71	
<i>Corporate Surplus:</i>		680,210.17		
Additions to Property through Income and Surplus	1,856,947.06			
Profit and Loss—Debit Balance	1,176,736.89			3,079.30
Total		\$7,576,738.66	\$	373.50

TABLE B

## DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT, DECEMBER 31, 1939, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1938.

	1939	1938	Increase	Decrease
Freight .....	\$ 748,955.10	\$ 760,616.55		\$11,661.45
Passenger .....	30,302.15	31,473.23		1,171.08
Excess Baggage .....	27.34	25.80	\$ 1.54	
Mail .....	42,506.91	42,764.63		257.72
Express .....	13,847.29	9,626.87	4,220.42	
Other Passenger Train .....	2,454.13	2,496.59		42.46
Milk .....	8,490.46	8,771.08		280.62
Switching .....	23,255.09	15,643.89	7,611.20	
Station, Train and Boat Privileges .....	73.29	67.37	5.92	
Parcel Room .....	6.40	4.30	2.10	
Storage—Freight .....	428.32	312.54	115.78	
Demurrage .....	858.00	757.90	100.10	
Telegraph and Telephone .....	126.51	161.84		35.33
Rents of Buildings and Other Property .....	4,405.34	4,526.15		120.81
Miscellaneous .....	1,055.59	595.44	460.15	
Joint Facility—Cr. ....	17.14	12.05	5.09	
Total Operating Revenues .....	\$ 876,809.06	\$ 877,856.23		\$ 1,047.17
OPERATING EXPENSES				
Maintenance of Way and Structures .....	\$ 129,267.43	\$ 138,121.28		\$ 8,853.85
Maintenance of Equipment .....	168,761.53	139,265.15	\$ 29,496.38	

TABLE B—(Continued)

	1939	1938	Increase	Decrease
Traffic .....	\$ 11,664.86	\$ 11,839.71		\$ 174.85
Transportation—Rail Line .....	299,689.50	306,232.74		6,543.24
Miscellaneous Operations .....	314.50	128.43	\$ 186.07	
General .....	37,093.77	36,910.16	183.61	
Transportation for Investment—Cr. ....	3,128.13	1,897.82	1,230.31	
Total Operating Expenses .....	\$ 643,663.46	\$ 630,599.65	\$ 13,063.81	
Net Operating Revenue .....	233,145.60	247,256.58		14,110.98
Railway Tax Accruals .....	43,708.16	34,889.55	8,818.61	
Railway Operating Income .....	\$ 189,437.44	\$ 212,367.03		\$ 22,929.59
Income from Lease of Road and Equipment .....	1,884.80	1,038.53	846.27	
Miscellaneous Rent Income .....	2,159.50	1,883.33	276.17	
Miscellaneous Non-Operating Physical Property .....	402.91	395.43	7.48	
Miscellaneous Income .....	5.00	16.00		11.00
Equipment Rents .....	† 56,713.14	† 54,032.71		2,680.43
Joint Facility Rents .....	† 1,848.88	† 1,612.19		236.69
Total Income .....	\$ 135,327.63	\$ 160,055.42		\$ 24,727.79
Miscellaneous Rents .....	30.00	30.00		
Miscellaneous Tax Accruals .....	1,063.94	978.88	85.06	
Interest on Funded Debt .....	114,280.00	115,163.34		883.34
Interest on Unfunded Debt .....	19.92	989.58		969.66
Miscellaneous Income Charges .....	3,853.40	3,139.30	714.10	
Income Balance Transferred to Profit and Loss .....	\$ 16,080.37	\$ 39,754.32		\$ 23,673.95

†Debit.

TABLE B—(Continued)

## DETROIT AND MACKINAC RAILWAY COMPANY

## PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1939 .....	\$ 1,173,657.59	
Credit Balance Transferred from Income .....		\$ 16,080.37
Miscellaneous Credits .....		165.89
Debits from Retired Road and Equipment .....	10,058.10	
Miscellaneous Debits .....	9,267.46	
Debit Balance Carried to Balance Sheet .....		1,176,736.89
	<u>\$ 1,192,983.15</u>	<u>\$ 1,192,983.15</u>

TABLE C  
PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,372,000.00	4 %	June and December	\$ 54,880.00	June 1, 1995
Mort.	1,250,000.00	4 %	June and December	50,000.00	June 1, 1995
	\$2,622,000.00			\$104,880.00	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1937	Dec. 31, 1938	Dec. 31, 1939
Cash .....	\$ 73,720.68	\$ 119,809.04	\$ 174,040.33
Special Funds .....	164,960.00	6,380.00	4,540.00
Due from Station Agents and Others .....	38,370.00	35,369.79	33,933.81
Material and Supplies .....	179,270.67	175,330.14	178,653.64
Prepaid and Deferred Charges .....	5,377.47	3,690.76	1,998.46
Other Unadjusted Debits.....	8,447.65	6,797.04	6,925.78
Totals .....	\$ 470,146.47	\$ 347,376.77	\$ 400,092.02

LESS CURRENT LIABILITIES

Audited Vouchers and Pay Rolls.....	\$ 46,065.86	\$ 38,425.21	\$ 39,917.96
Notes Payable .....	285,000.00	235,000.00	235,000.00
Accrued Taxes, Interest and Traffic Balances .....	245,160.83	112,514.56	111,990.26
Totals .....	\$ 576,226.69	\$ 385,939.77	\$ 386,908.22

Net Assets .....	\$* 106,080.22	\$* 38,563.00	\$ 13,183.80
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CAPITAL ASSETS

Cost of Road .....	\$ 6,049,255.97	\$ 6,041,027.61	\$ 6,033,982.69
Cost of Equipment .....	1,135,254.75	1,132,407.67	1,091,877.60
Miscellaneous Physical Property .....	41,894.39	40,788.52	40,735.52
Investments in Affiliated Companies. ....	6,758.83	6,336.40	6,054.78
Deposits for Property Sold .....	60.00	60.00	60.00
Totals .....	\$ 7,233,223.94	\$ 7,220,620.20	\$ 7,172,710.59

REPRESENTING

Bonds Issued—First Lien .....	\$ 1,372,000.00	\$ 1,372,000.00	\$ 1,372,000.00
Bonds Issued—Mortgage .....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common .....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred .....	950,000.00	950,000.00	950,000.00
Reserves .....	893,532.01	924,444.68	927,603.46
Grants in Aid of Construction .....	313.10	313.10	313.10
Other Unadjusted Credits .....	3,604.89	2,009.95	5,767.66
Additions to Property Through Income and Surplus .....	1,856,337.35	1,856,947.06	1,856,947.06
Surplus .....	† 1,198,643.63	† 1,173,657.59	† 1,176,736.89
Totals .....	\$ 7,127,143.72	\$ 7,182,057.20	\$ 7,185,894.39

† Deficit.      \* Credit.

TABLE E  
DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

	1935			1936			1937			1938			1939		
	Amount	Per Cent		Amount	Per Cent		Amount	Per Cent		Amount	Per Cent		Amount	Per Cent	
<b>REVENUES</b>															
Freight .....	\$549,215.42	83.91		\$690,506.05	85.94		\$768,055.12	86.74		\$760,616.55	86.64		\$748,955.10	85.42	
Passenger .....	31,186.47	4.76		37,276.88	4.64		38,500.03	4.35		31,473.23	3.59		30,302.15	3.46	
Mail .....	40,326.76	6.17		40,906.40	5.09		41,553.81	4.69		42,764.63	4.87		42,506.91	4.85	
Express .....	15,628.51	2.39		15,067.44	1.88		13,701.47	1.55		9,626.87	1.10		13,847.29	1.58	
Milk .....	8,860.50	1.35		9,297.27	1.16		9,462.96	1.07		8,771.08	1.00		8,490.46	.97	
Other Sources .....	9,288.25	1.42		10,430.35	1.29		14,172.07	1.60		24,603.87	2.80		32,707.15	3.72	
<b>Total .....</b>	<b>\$654,505.91</b>	<b>100 %</b>		<b>\$803,484.39</b>	<b>100 %</b>		<b>\$885,445.46</b>	<b>100 %</b>		<b>\$877,856.23</b>	<b>100 %</b>		<b>\$876,809.06</b>	<b>100 %</b>	
<b>EXPENSES</b>															
Maint. Way and Structures .....	120,962.31	22.05		126,113.55	20.83		143,950.33	20.72		138,121.28	21.90		129,267.43	20.08	
Maintenance Equipment .....	119,667.36	21.81		140,203.54	23.16		184,640.13	26.58		139,265.15	22.09		168,761.53	26.22	
Traffic .....	10,529.21	1.92		10,954.43	1.81		11,414.95	1.64		11,839.71	1.88		11,664.86	1.82	
Transportation .....	263,109.23	47.95		286,450.57	47.33		313,698.78	45.16		306,232.74	48.56		299,689.50	46.56	
Miscellaneous Operations .....	137.34	.03		124.20	.02		189.90	.03		128.43	.02		314.50	.05	
General .....	34,334.76	6.26		42,061.62	6.95		41,531.96	5.98		36,910.16	5.85		37,093.77	5.76	
Transportation for Investment—Cr. ....	116.64	.02		602.12	.10		782.19	.11		1,897.82	.30		3,128.13	.49	
<b>Total .....</b>	<b>\$548,623.57</b>	<b>100 %</b>		<b>\$605,305.79</b>	<b>100 %</b>		<b>\$694,643.86</b>	<b>100 %</b>		<b>\$630,599.65</b>	<b>100 %</b>		<b>\$643,663.46</b>	<b>100 %</b>	
Net Earnings .....	105,882.34	16.18		198,178.60	24.66		190,801.60	21.55		247,256.58	28.17		233,145.60	26.59	
Taxes .....	15,247.76	2.33		21,118.51	2.63		35,134.67	3.97		34,889.55	3.98		43,708.16	4.98	
Net Earnings, less Taxes .....	\$ 90,634.58	13.85		\$177,060.09	22.03		\$155,666.93	17.58		\$212,367.03	24.19		\$189,437.44	21.61	

TABLE E-1

## DETROIT AND MACKINAC RAILWAY COMPANY

Year	Revenues	Expenses	Net		Railway		Net Revenue Less Tax Accruals
			Revenue		Tax Accruals		
1928.....	\$1,668,742.83	\$1,238,996.90	\$429,745.93		\$130,616.03		\$299,129.90
1929.....	1,586,301.94	1,274,010.74	312,291.20		103,237.43		209,053.77
1930.....	1,082,774.02	959,900.99	122,873.03		91,649.69		31,223.34
1931.....	1,000,892.10	734,866.26	266,025.84		70,731.10		195,294.74
1932.....	759,894.83	606,788.00	153,106.83		50,001.27		103,105.56
1933.....	601,960.77	508,924.72	93,036.05		42,747.21		50,288.84
1934.....	632,904.36	514,332.73	118,571.63		* 1,733.27		116,838.36
1935.....	654,505.91	548,623.57	105,882.34		15,247.76		90,634.58
1936.....	803,484.39	605,305.79	198,178.60		21,118.51		177,060.09
1937.....	885,445.46	694,643.86	190,801.60		35,134.67		155,666.93
1938.....	877,856.23	630,599.65	247,256.58		34,889.55		212,367.03
1939.....	876,809.06	643,663.46	233,145.60		43,708.16		189,437.44

\* Includes \$26,714.43 Credit Adjustment.



TABLE F

## DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES  
1939 COMPARED WITH 1938

## MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence .....	\$ 12,655.09	\$ 340.88	
Roadway Maintenance .....	10,903.68	1,018.30	
Bridges, Trestles and Culverts.....	1,404.86		\$1,174.56
Ties .....	18,851.13		4,145.79
Rails .....	882.48		70.69
Other Track Material .....	4,108.34		123.09
Ballast .....	1,562.35	215.15	
Track Laying and Surfacing .....	53,700.80		3,036.17
Fences, Snowsheds and Signs .....	2,678.15	811.48	
Station and Office Buildings .....	2,608.47	908.30	
Roadway Buildings .....	404.42	293.56	
Water Stations .....	790.84		489.83
Fuel Stations .....	401.56	40.34	
Shops and Enginehouses .....	2,044.16		3,258.29
Telegraph and Telephone Lines .....	1,243.31		339.41
Signals and Interlockers.....	1,461.76	725.91	
Power Plants .....	9.00		4.87
Power Transmission Systems .....	33.50	22.24	
Miscellaneous Structures .....	10.93	2.14	
Roadway Machines .....	2,345.03	622.75	
Small Tools and Supplies .....	2,156.45		199.68
Removing Snow, Ice and Sand .....	5,051.29		1,453.59
Public Improvements, Maintenance .....	1,383.93	319.57	
Injuries to Persons .....	189.25		162.03
Insurance .....	985.65	107.56	
Stationery and Printing .....	263.17	56.53	
Other Expenses .....	91.36	86.19	
Maintaining Joint Tracks, Yards and Other Facilities—Dr. ....	1,613.93	344.41	
Maintaining Joint Tracks, Yards and Other Facilities—Cr. ....	567.46	311.16	
Totals .....	\$129,267.43		\$8,853.85

TABLE F—(Continued)

## MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence .....	\$14,712.71	\$ 146.35	
Shop Machinery .....	1,041.71	155.92	
Power Plant Machinery .....	440.24	82.74	
Steam Locomotives—Repairs .....	48,705.72	2,898.88	
Other Locomotives—Repairs .....	130.55	126.21	
Freight Train Cars—Repairs .....	37,828.71	17,201.78	
Passenger Train Cars—Repairs .....	24,195.75	2,465.05	
Work Equipment—Repairs .....	1,036.69	70.14	
Miscellaneous Equipment—Repairs .....	121.14	51.81	
Equipment—Retirements .....	1,579.19	1,521.70	
Equipment—Depreciation .....	32,688.31		\$ 255.50
Injuries to Persons .....	4,921.10	4,698.35	
Insurance .....	535.41	10.21	
Stationery and Printing .....	331.08	58.37	
Other Expenses .....	769.84	140.51	
Maintaining Joint Equipment—Dr. ....	167.72	19.23	
Maintaining Joint Equipment—Cr. ....	444.34		104.63
Totals .....	\$168,761.53	\$ 29,496.38	

## TRAFFIC

Superintendence .....	\$ 6,618.04		\$ 48.12
Advertising .....	234.60	\$ 62.45	
Traffic Associations .....	1,729.38		241.01
Insurance .....	16.41		4.93
Stationery and Printing .....	3,066.43	56.76	
Totals .....	\$ 11,664.86		\$ 174.85

## TRANSPORTATION — RAIL LINE

Superintendence .....	\$ 18,395.87	\$ 1,115.71	
Dispatching Trains .....	6,733.67	85.82	
Station Employees .....	50,250.37	194.73	
Weighing, Inspection and Demurrage Bureaus .....	1,353.02	771.62	
Station Supplies and Expenses .....	3,141.81		\$ 275.48
Yardmasters and Yard Clerks .....	5,207.48		64.97
Yard Conductors and Brakemen .....	9,701.27		868.13
Yard Enginemen .....	7,981.19		137.61
Yard Switching Fuel .....	7,747.59		808.85
Water for Yard Locomotives .....	295.03		172.15
Lubricants for Yard Locomotives .....	296.73	34.55	
Other Supplies for Yard Locomotives .....	155.91		82.76
Enginehouse Expenses—Yard .....	4,466.97		378.78
Yard Supplies and Expenses .....	1,066.76		111.01
Train Enginemen .....	30,053.07		746.50
Train Motormen .....	7,046.90		431.78
Train Fuel .....	56,468.93		2,939.70
Water for Train Locomotives .....	1,477.42		303.23
Lubricants for Train Locomotives .....	1,491.95		149.94
Other Supplies for Train Locomotives .....	570.64		168.21
Enginehouse Expenses—Train .....	23,325.70		776.71
Trainmen .....	39,826.93		1,670.30

TABLE F—(Continued)

	Amount	Increase	Decrease
Train Supplies and Expenses .....	\$ 9,315.59		\$ 312.50
Crossing Protection .....	154.97		55.73
Drawbridge Operation .....	2,839.01		136.63
Telegraph and Telephone Operation .....	3,226.84		6.19
Stationery and Printing .....	2,497.72		135.48
Other Expenses .....	31.61		9.17
Insurance .....	410.80		47.42
Clearing Wrecks .....	101.79	\$ 91.04	
Damage to Property .....	850.00	765.00	
Damage to Live Stock on Right of Way.....	129.52		165.47
Loss and Damage—Freight .....	1,433.57		42.06
Loss and Damage—Baggage .....	2.50	2.50	
Injuries to Persons .....	362.50	21.50	
Operating Joint Yards and Terminals—Dr.....	7,213.39		74.84
Operating Joint Yards and Terminals—Cr.....	5,403.13		1,342.41
Operating Joint Tracks and Facilities—Dr.....	996.36	40.96	
Operating Joint Tracks and Facilities—Cr.....	1,528.75		62.52
Totals .....	\$299,689.50		\$6,543.24

## MISCELLANEOUS OPERATIONS

Dining and Buffet Service .....	\$ 314.50	\$ 186.07
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## GENERAL

Salaries and Expenses of General Officers.....	\$ 9,848.68		\$1,151.88
Salaries and Expenses of Clerks and Attendants .....	20,123.89	\$ 935.98	
General Office Supplies and Expenses .....	976.54		3.03
Law Expenses .....	2,370.63	101.45	
Insurance .....	132.17	11.26	
Pensions .....	4.20	.06	
Stationery and Printing .....	2,101.71	62.49	
Valuation Expenses .....	.35	.35	
Other Expenses .....	1,535.60	226.93	
Totals .....	\$ 37,093.77	\$ 183.61	

## SUMMARY

Maintenance of Way and Structures .....	\$129,267.43		\$8,853.85
Maintenance of Equipment .....	168,761.53	\$ 29,496.38	
Traffic .....	11,664.86		174.85
Transportation—Rail Line .....	299,689.50		6,543.24
Miscellaneous Operations .....	314.50	186.07	
General .....	37,093.77	183.61	
Transportation for Investment—Cr. ....	3,128.13	1,230.31	
Total Operating Expenses .....	\$643,663.46	\$ 13,063.81	

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1939

MAIN LINE

North Bay City to Cheboygan .....	195.10
One-half Undivided Ownership—Foss to North Bay City.....	.26

BRANCHES

Omer to AuGres .....	7.95
National City to Prescott .....	12.26
Alabaster Junction to Alabaster .....	4.27
Hillman Junction to Emerson .....	10.38
Rogers City Junction to Rogers City .....	14.33
<hr/>	
Total .....	49.19
Total Main Line and Branches .....	244.55
Yard Tracks and Sidings .....	60.69
<hr/>	
Total, all Tracks (miles) .....	305.24

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

<i>Products of Agriculture:</i>	1939 Tons	Per Cent	1938 Tons	Per Cent
Grain .....	492	.1	242	
Flour .....	2,712	.3	2,499	.3
Other Mill Products .....	1,711	.2	1,540	.2
Hay and Straw .....	1,712	.2	15	
Potatoes .....	6,862	.9	12,338	1.5
Fruits and Vegetables .....	3,220	.4	2,994	.4
Sugar Beets .....	26,339	3.3	21,526	2.7
Other Products of Agriculture .....	597	.1	2,460	.3
<hr/>		5.5	<hr/>	
Totals .....	43,645		43,614	5.4

TABLE H—(Continued)

<i>Animals and Products:</i>	1939 Tons	Per Cent	1938 Tons	Per Cent
Live Stock .....	462	.1	238	
Wool .....	111		97	
Hides and Leather .....	19		124	
Other Animals and Products .....	705	.1	597	.1
Totals .....	1,297	.2	1,056	.1
<i>Products of Mines:</i>				
Anthracite Coal .....	521	.1	783	.1
Bituminous Coal .....	30,526	3.8	41,090	5.1
Coke .....	767	.1	908	.1
Clay, Gravel, Sand and Stone .....	395,202	49.6	360,773	44.4
Petroleum—Crude .....	95,783	12.0	149,636	18.3
Other Products of Mines .....	3,494	.5	1,263	.2
Totals .....	526,293	66.1	554,453	68.2
<i>Products of Forests:</i>				
Pulp Wood .....	13,476	1.7	14,385	1.8
Lumber, Shingles and Lath .....	9,782	1.2	13,817	1.7
Other Products of Forests .....	4,096	.5	4,177	.5
Totals .....	27,354	3.4	32,379	4.0
<i>Manufactures and Miscellaneous:</i>				
Refined Petroleum and its Products .....	34,407	4.3	32,610	4.0
Sugar .....	377		269	
Rails and Fastenings .....	1,051	.1	229	
Bar and Sheet Iron, Structural Iron, and Iron Pipe .....	5,063	.6	2,408	.3
Castings, Machinery and Boilers .....	1,282	.2	1,263	.2
Cement .....	4,709	.6	8,768	1.1
Brick and Artificial Stone .....	2,348	.3	1,591	.2
Lime and Plaster .....	32,939	4.2	23,378	2.9
Building Paper and Prepared Roofing Material .....	2,636	.3	2,083	.3
Beverages .....	97		33	
Fertilizers (all kinds) .....	883	.1	793	.1
Newsprint and Printing Paper .....	7,249	.9	8,347	1.0
Chemicals and Explosives .....	830	.1	533	.1
Canned Goods (all canned food products)....	625	.1	656	.1
Paper Bags and Wrapping Paper .....	10,979	1.4	11,767	1.4
Paperboard, Pulpboard and Wallboard.....	5,234	.7	4,770	.6
Other Manufactures and Miscellaneous.....	75,938	9.5	71,463	8.7
Totals .....	186,647	23.4	170,961	21.0
All L. C. L. Freight .....	10,880	1.4	10,910	1.3
Grand Total, Carload and L. C. L. Traffic .....	796,116	100 %	813,373	100 %

TABLE I

## DETROIT AND MACKINAC RAILWAY COMPANY

## FREIGHT STATISTICS

	1939	1938
Number tons revenue freight carried .....	796,116	813,373
Number tons non-revenue freight carried .....	26,544	30,878
Total number tons of freight carried.....	822,660	844,251
Number revenue tons carried one mile.....	58,867,000	60,021,000
Number all tons carried one mile .....	60,901,600	62,305,000
Number revenue tons carried one mile, per mile of road .....	243,172	247,939
Number tons all freight carried one mile, per mile of road .....	251,576	257,374
Average distance haul of one ton revenue freight (miles) .....	73.94	73.79
Average distance haul of one ton all freight (miles) .....	74.03	73.80
Total freight revenue .....	\$ 748,955.10	\$ 760,616.55
Average amount received for each ton of freight .....	.94076	.93515
Average receipts, per ton, per mile .....	.01272	.01267
Freight revenue, per mile of road .....	3,093.83	3,142.00
Freight revenue, per train mile.....	5.07	4.77
Average number of revenue tons, per train mile	398.37	376.46
Average number of all tons, per train mile.....	412.14	390.78
Average number of all tons, per loaded car mile	28.2	28.1
Average number of cars, per train mile .....	24.4	23.5

## PASSENGER STATISTICS

Number of passengers carried .....	18,451	21,291
Number of passengers carried one mile .....	1,442,900	1,610,500
Number of passengers carried one mile, per mile of road .....	5,962	6,653
Average distance each passenger carried (miles)	78.20	75.60
Passenger revenue .....	\$ 30,302.15	\$31,473.23
Average amount received from each passenger..	1.64	1.48
Average receipts, per passenger, per mile .....	.02100	.01954
Total passenger train earnings .....	97,628.28	95,158.20
Passenger earnings per mile of road .....	403.29	393.09
Passenger earnings, per train mile .....	.52	.52
Average number of passengers, per train mile ....	7.69	8.74

## OPERATING STATISTICS

Gross revenue from operation.....	\$ 876,809.06	\$ 877,856.23
Gross revenue from operation, per mile of road..	3,621.98	3,626.31
Operating expenses .....	643,663.46	630,599.65
Operating expenses, per mile of road .....	2,658.89	2,604.92
Operating expenses, per train mile .....	1.92	1.83
Net operating revenue .....	233,145.60	247,256.58
Net operating revenue, per mile of road.....	963.09	1,021.38
Ratio of expenses to earnings .....	73.41	71.83

TABLE J

## DETROIT AND MACKINAC RAILWAY COMPANY

## EQUIPMENT

<i>Locomotives:</i>	1938	1939
Passenger .....	5	5
Freight .....	11	11
Switching .....	5	5
Totals .....	21	21
<i>Passenger Cars:</i>		
Coaches .....	5	5
Cafe .....	1	1
Parlor .....	1	1
Gas Electric Combination Passenger, Baggage and Mail .....	2	2
Combination Passenger and Baggage .....	4	4
Combination Baggage and Mail .....	2	2
Baggage and Express Cars .....	16	16
Express Refrigerators .....	8	8
Totals .....	39	39
<i>Freight Cars:</i>		
Box .....	223	190
Flat .....	41	41
Coal Cars .....	55	55
Refrigerators .....	6	6
Caboose Cars .....	10	10
Totals .....	335	302
<i>In Company's Service:</i>		
Officers .....	1	1
Ballast .....	3	3
Derrick Cars .....	1	1
Flangers .....	11	11
Snow Plow .....	1	1
Jordon Spreader .....	1	1
Industrial Crane .....	1	1
Other Road Cars .....	81	80
Totals .....	100	99
<i>Summary:</i>		
Total Number of Locomotives owned .....	21	21
Total Number of Cars owned .....	474	440

TABLE K

## DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP  
DURING YEAR 1939

## TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1910	Track 2-A .....	Wheeler	208.5
1911	Track 13-A .....	No. Bay City	883.5
Total.....			1092

## TRACKS TAKEN UP

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1906	Track 225-A .....	Aloha	495
1907	Switch from Track 98-A .....	Oscoda	30
1908	Back End Track 95-A .....	Tawas Beach	712
1916	Back End Track 56 .....	Pinconning	550
1918	West End Track 32 .....	Alpena	250
Total.....			2037

## SUMMARY

	Miles
Tracks Taken Up .....	.39
Tracks Built .....	.21
Net Decrease .....	.18























